

succeeded against the opposition of the Oil companies, to introduce highly protective duties and finally in 1939 he did away with Max Ausnit in a shameful manner.

#### Armament .

After the last war the armament of the Rumanian Army was in a chaotic state.

The first attempt to a complete rearmament was made in 1925; as a result of a contract between the liberal government of Bratianu and the English firm Vickers a corporation "COPSA MICA si CUGIR" was founded in Bucarest for the purpose of establishing in Cugir a big Arsenal for the manufacture of all needed arms. Vickers delivered machine tools (all of them of the last war) and then all activity slowly ceased.

In 1929 the national peasant government signed the first important contracts with both groups, the Czechoslovak SKODA and the French SCHNEIDER-CREUZOT for delivery of artillery material and in 1930 with the Czechoslovak ZEROTOVKA for delivery of BREN guns. Thus a predominant position for the Czechoslovak armament industry in Rumania was assured. This suited perfectly

the political constellation of the LITTLE ENTENTE, the requirements of the different General Staffs interested in Rumania's rearmament, and the requirements of the Rumanian armament exports, who tested the Czech arms for long years in competitions of all European models;

therefore it was from every point of view a very reasonable, realistic and sound solution.

The period of 2 or 3 years which followed was decisive for the fate of Rumania; an organization was built up, which in large part was responsible for future events in Rumania and the leading man and spirit in this organization was Malaxa.

In a country like Rumania it is unthinkable, that leading industrialist would not be backed by one or more political parties.

Max Ausnit was very close to the national peasant party, whose outspoken Anglo-French orientation was publicly well known.

On the other hand, Malaxa in spite of his frantic attempts, never succeeded in establishing even friendly relations with the leading personalities of the two big Rumanian political parties. He did not feel well and therefore saw his big chance in the return of King Carol in 1930.

*break*  
Carol thought to have different reasons to *break* with the old traditional custom of two big political parties. He began immediately to split them and he succeeded so well, that later on he couldn't rely on any large party, was unable to unite several small parties on one platform and the natural consequence was dictatorship.

*interesting*  
This was the ideal state and solution for Malaxa. In surprisingly short time he found his way to the personal secretary of the King and through him to Mrs. Magda Lupescu; then to Urdareanu, then to the Chief of the King's personal secret service, to the Police-Prefect asf. asf. Malaxa built up a circle, which isolated and influenced the king more and more, until finally it controlled the country.

*obtained*  
And so Malaxa *obtained* also his industrial goal. At the end of 1931 he was already strong enough so that Max Ausnit sold to him an important part of the shares of his working majority in RESITA works and Malaxa and Ausnit were both presidents with equal rights.

This was the ground stone for Malaxa's Steel- and Tubing projects and opened him the way into the armament business.

King Carol wanted to make Maniu politically impossible. They made open accusation of bribes in connection with the above mentioned contract with SKODA in 1929. At the same time the Rumanian heavy industry ( Resita recte Malaxa ) - attacked violently Skoda contract and, although they had no equipment for manufacturing - insisted on a part allocation for Resita.

A fake trial was arranged; no case of bribery could be proven, but the representative of SKODA was condemned to 5 years for "espionage". The same procedure of fake trial was used by Malaxa against Max Ausnit in 1939/40.

The practical result of this whole action against Skoda was a delay in the rearmament of Rumania -- but Malaxa entered the armament industry and through him the German armament industry later on got the first break in Rumania.

I have no doubt, that Malaxa was pro German. As far as I am informed all his foreign business was done with Germany even before Hitler's arrival to power and afterwards he was convinced that Germany will go to war and will win the war and he acted accordingly. There was for instance lot of talk of his different ties with the Iron Guard. I know that in 1939 he said to one of the German ministers that: " he will be the first to welcome the German troops in Bucarest with flowers."

Based on his personal contracts for delivery of war material, he established a artillery ammunition assembly plant in Tohanul Vechi and an artillery fuse plant in Bucarest with machine tools delivered by Germany. For his project of manufacturing Tanks in his locomotive factory, he was obliged to deal with Renault, because that

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model was prescribed. Acting for Resita he made arrangements for the 37mm A.A. with the German Rheinmetall and for the shipyards in Galati (Sentierele Navale) with a German firm unknown to me; only regarding the manufacture of the 75 mm A.A. Ausnit made arrangements for Resita with Vickers; with the help of Malaxa German companies also obtained the deliveries and establishing of all machinery needed for the Steelmills in Hunedoara.

Naturally all these activities of Malaxa could not remain without often violent opposition. One of his most outspoken adversaries was General Ion Antonescu who detested him and refused to meet him; as soon as Antonescu came to power he arrested Malaxa and confiscated one half of all his establishments; - the second half, it is said, Malaxa voluntarily ceded to the Rumanian state.

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